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United States  
Department of  
Agriculture

Agricultural  
Cooperative  
Service

ACS  
Research Report  
Number 58

# Financial Profile of Cooperatives Handling Grain:

First-Handlers, \$1 Million to \$4.9 Million in Sales

SEP 30 '93



### **Financial Profile of Cooperatives Handling Grain:**

First-Handlers, \$1 Million to \$4.9 Million in Sales

Francis P. Yager and David E. Cummins, Agricultural Economists, Cooperative Marketing and Purchasing Division, Agricultural Cooperative Service, U.S. Department of Agriculture

### **Abstract**

This report presents basic information on local cooperative associations that are first-handlers of grain, hereafter referred to as first-handlers or grain cooperatives. Participating associations had annual sales in 1984 of between \$1 million and \$4.9 million, with grain sales accounting for more than half of total value of sales. Most associations also handled farm supplies and provided related services.

**Key words:** cooperative, financial, grain, elevators

ACS Research Report No. 58  
January 1987

## Preface

This report is based largely on balance sheet and operating statement data collected as part of an ACS survey of 2,275 grain marketing cooperatives. Other types of information such as membership, volume of grain handled, and storage capacity were obtained from first-handler cooperatives. All information in this report is for 237 first-handler local associations that recorded total sales of \$1 million to \$4.9 million in calendar year 1984, of which more than 50 percent was from sales of grain. (The 237 constitute about 35 percent of their total population.) Most of these cooperatives were diversified, also handling farm supplies and providing many related services.

This report examines the operating and financial data for these first-handler locals related to several grouping factors—grain storage capacity, total sales, total assets, and net savings. In addition, the associations that handled predominantly corn/soybeans, wheat/sorghum, wheat/barley, and wheat/barley/oats were summarized separately and compared. Regardless of how they are grouped, the associations are not homogeneous. For example, those comparable in terms of total dollar sales can vary considerably in terms of proportion grain of total sales.

All information herein is based on condensed balance sheets and operating statements. Because of variations in accounting and auditing practices and terminology, it was necessary to adjust financial reports to ensure data comparability.

This report should help cooperative management and boards make sound business decisions as they confront new problems and the need for increasing amounts of capital for improved or new facilities and/or services. Such information can be used as guidelines for achieving success and avoiding pitfalls. Using data from your own cooperative, you can compare your cooperative with others of similar size (See appendix B).

This is the third in a three-part series. A planned fourth report will be a comparative analysis of the three sales groups of cooperatives. The first sales group, presented in ACS Research Report 53, covered those with \$15 million or more total sales; the second, in ACS Research Report 55, covered those with \$5 million to \$14.9 million in sales.

# Glossary

**Current assets** - The dollar value of assets that can be readily converted into cash without interfering with the normal business operations.

**Investments** - The dollar value of investments in other business organizations, mostly cooperative associations, and deferred patronage.

**Fixed assets** - Dollar value of property, structures and equipment (less depreciation), land, construction in progress, and capital leases.

**Other assets** - All other assets such as bond cost amortization, and deferred and prepaid expenses.

**Current liabilities** - The dollar value of liabilities to be paid, including that portion of long-term debt due in a year or less and patronage refunds payable.

**Long-term liabilities** - The dollar value of all debts with a maturity of more than 1 year, such as debentures, notes, industrial revenue bonds, and mortgage notes.

**Net worth or equity capital** - The dollar value of owners' equity listed in the equity sections—includes common/capital/preferred stock, allocated/unallocated earnings, per-unit retains, and certificates of indebtedness and membership.

**Gross margins** - The dollar value of the sales of grain and farm supplies less cost of goods sold.

**Other operating income** - The dollar value of storage and handling fees, service revenue, load-out fees, cleaning, mixing, commission, drying, finance charges, etc.

**Nonoperating income** - The dollar value of net interest income/expenses, gain or loss from the sale of assets, dividends on stock, and patronage refunds from other cooperatives.

**Gross income** - The dollar value of gross margins plus other operating income and nonoperating income.

**Total expenses** - The dollar value of labor, administrative, and other general expenses, such as depreciation, repairs, utilities, and property taxes.

**Labor expense** - The dollar value of salaries and wages and fringe benefits, including social security, workers' compensation, unemployment, retirement, hospitalization, bonuses, and other expenses directly related to labor.

**Net savings (losses)** - The dollar value of gross income minus total expenses before income taxes.

**Allocation of net savings** - The dollar value of the net savings (1) paid in cash as patronage refunds (2) paid in cash as dividends or interest on stock, (3) allocated to patrons on the book, (4) retained as equity/unallocated retained earnings, (5) allocated to an educational fund, and (6) set aside for income taxes (Federal and State).

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## Highlights and Conclusions

This report presents information on the physical and financial structure of 237 local first-handlers-of-grain associations with sales of \$1 million to \$4.9 million in 1984. Analysis of records for their 1984 operations revealed the following:

- Total membership per association ranged from 22 to 5,000, and averaged 415.
    - Grain producers accounted for about 60 percent of total membership.
    - Total grain storage capacity averaged 558,089 bushels per association.
    - The grain turnover rate for 1984 was 1.33 times.
    - Total grain marketed per cooperative averaged 741,759 bushels.
    - Wheat was the leading grain handled, followed by corn and grain sorghum.
    - Seventy-six percent of the associations' headquarters were located on a railroad.
  - Grain and farm supplies sales averaged \$3,254,401 per association. Grain sales accounted for nearly 80 percent of the total.
  - Labor and related expenses comprised 43 percent of total operating expenses.
  - Total value of assets amounted to nearly \$275 million, or \$1,160,658 per association.
    - Current assets accounted for 45 percent of total assets; fixed assets, 21 percent; investments and other miscellaneous items, 34 percent.
    - Equity capital of these first-handlers totaled \$172 million, averaged \$727,543 per association, and was equivalent to nearly 63 percent of total assets.
    - Current liabilities were equivalent to 27 percent of total assets, and long-term liabilities were 10 percent. The current ratio was 1.64 to 1.
    - Aggregate net savings before income taxes and allocations amounted to \$9 million, or \$38,272 per association. Net savings for those associations with savings for the year averaged \$67,794; those with net operating losses averaged \$45,056 each.
    - Wheat-sorghum associations had the highest net savings. Corn-soybean cooperatives lost an average of \$13,312 per association.
    - Patronage from other cooperative associations amounted to nearly 26 percent of net savings.
    - Patronage allocations to user-members accounted for nearly 71 percent of net savings, of which 34 percent was paid in cash.
    - Substantial change has taken place over time in the financial structure of cooperatives that are first-handlers of grain. How does yours compare with others for 1984? See appendix tables 1-24 and cooperative profile (appendix B).
- Grain-handling cooperatives in the late 1970's and early 1980's are characterized by accelerated growth, diversification, consolidation, modernization, and retrenchment, all of which have important financial implications.
- If grain-handling cooperatives are to adjust successfully to changing economic conditions, they must first command the necessary capital. Grain-handling cooperatives finance their operations through standard procedures used by other



businesses in addition to those unique to cooperatives, such as revolving funds. Financing is through producer-members, local banks, Banks for Cooperatives, and other financial institutions and, in some cases, the investing public.

In the past, many of the grain-handling cooperatives were small associations struggling to better the economic conditions of farmers through cooperative action. They furnished much of the capital needed to operate their associations themselves. Over the years, many have continued to follow this and other traditional and sometimes restrictive patterns of financing their operations. However, grain-handling cooperatives found they could not expand their operations on internal or equity financing. Many found it necessary to borrow capital to meet their increasing financial needs and realize economies of scale.

New approaches are needed if cooperatives are to continue to grow and be economically sound. Adequate financing and sound financial management are critical. Financial management is probably the most important and complex managerial activity in the operation of grain-handling cooperatives today. Determining capital needs and establishing priorities are critical areas in decisionmaking. Financial planning by grain-handling cooperatives should include (1) the generation of more permanent capital to replace or supplement revolving types of capital, (2) equitable membership participation in financing, and (3) maximizing financial leverage if used.



# FINANCIAL PROFILE OF COOPERATIVES HANDLING GRAIN:

## FIRST-HANDLERS, \$1 MILLION TO \$4.9 MILLION IN SALES

Francis P. Yager and David E. Cummins  
Agricultural Economists  
Cooperative Marketing and Purchasing Division

### FIRST-HANDLER CHARACTERISTICS

This study presents available basic information on the financial structure and related operating characteristics of cooperatives that are first-handlers of grain (referred to hereafter as first-handlers or grain cooperatives) with sales of \$1 million to \$4.9 million in 1984, of which more than 50 percent was from sales of grain. Most of these cooperatives were diversified, also handling farm supplies and providing many related services.

The 237 grain cooperatives in this study averaged 415 members per association in 1984. Individual association membership ranged from 22 to 5,000. Grain producers accounted for nearly 60 percent of total membership (table 1). Fifteen percent of the grain cooperative associations had only grain producers as members.

### Storage Capacity

The grain cooperatives reported an estimated 132,267,118 bushels of total grain storage capacity. This represented more than 1 percent of total U.S. off-farm storage capacity in 1984. Grain storage capacity ranged from 26,800 to 2.5 million bushels and averaged 558,089 bushels per association, or 495.382 bushels per location (table 2). These local cooperative associations collectively had an annual average turnover rate (grain marketed volume/storage capacity) of 1.33 (table 2). The turnover rate declined significantly with an increase in grain storage capacity per association. A high-storage utilization rate is important to maintaining a profitable business. A low turnover rate generally requires a higher per-bushel margin to cover the cost of operations.

### Grain Volume Marketed and Sales

The local grain cooperative associations studied marketed

175.8 million bushels of grain during the 1983 crop year. Individual association volumes marketed ranged from 0.2 to 1.5 million bushels and averaged 741,759 bushels (table 2).

Wheat was marketed by 89 percent of the associations and accounted for 48 percent of total grain volume marketed (table 3). Corn was second with 18 percent, followed by grain sorghum with 11 percent (table 3).

### Accessibility of Railroads

The abandonment of many of the rail lines that have been used by elevators for years to move grain to market has eliminated this shipping alternative for a substantial number of local first-handlers. Although 24 percent of the associations' headquarters were not located on a rail line, they often had access to rail lines at one or more of their branch locations. Railroads serving the headquarters of these cooperative associations in 1984 are shown in table 4.

### FINANCIAL STATEMENTS

The operating or income statement summarizes a business operation for a specified time period, showing the sources of income, the nature of expenses, and the net savings or loss from operations. The balance sheet is a summary record of transactions during a period of time that indicates the organization's financial health.

### Income Statement

Sales of grain and farm supplies totaled nearly \$771.3 million, or \$3,254,401 per association (table 5). Grain as a proportion of total sales averaged 79.5 percent for all groups. The largest associations—the 14 percent with total 1984 sales of at least \$4.5 million—accounted for more

**Table 1—Membership composition, by total membership, 1984**

Total membership	Distribution		Membership	
	First-handlers	Total membership	Total	Grain producers
<i>Number</i>	<i>Percent</i>		<i>Number</i>	<i>Percent</i>
Less than 250	29.5	11.3	159	78.1
250-499	46.0	39.8	359	65.9
500-749	17.3	25.3	607	56.5
750-999	3.8	8.1	882	46.7
1,000 or more	3.4	15.5	1,900	42.3
All associations	100.0	100.0	415	59.7

**Table 2—Grain storage capacity, marketed, and sales, by grain storage capacity, 1984**

Storage capacity	Elevator storage capacity			Locations per association	Grain marketed per association	Turn-over rate	Proportion grain of total sales
	Distribution	Per association	Per location				
<i>Thousand bushels</i>	<i>Percent</i>	<i>Bushels</i>		<i>Number</i>	<i>Bushels</i>	<i>Times</i>	<i>Percent</i>
Less than 250	5.6	177,888	173,751	1.0	624,318	3.51	78.5
250-499	21.0	343,185	323,232	1.1	730,273	2.13	82.8
500-749	25.5	612,801	526,626	1.2	664,513	1.08	74.4
750-999	21.5	859,463	746,376	1.2	860,628	1.00	78.9
1,000-1,249	14.3	1,113,216	756,987	1.5	956,026	.86	81.1
1,250-1,499	3.1	1,350,000	1,350,000	1.0	842,738	.62	84.3
1,500-1,749	2.4	1,602,515	1,602,515	1.0	1,140,474	.71	76.2
1,750 or more	6.6	2,187,950	1,458,633	1.5	1,103,198	.50	88.3
All associations	100.0	558,089	495,382	1.1	741,759	1.33	79.5

**Table 3—Grain marketed, total and per association, by type of grain, 1984**

Type of grain	Grain marketed		Proportion of associations marketing	Distribution of marketings
	Total	Per association		
	-----Bushels-----		-----Percent-----	
Wheat	84,900,277	358,229	89.0	48
Corn	31,851,204	134,393	68.4	18
Soybeans	13,590,499	57,344	52.3	8
Grain sorghum	19,032,987	80,308	36.7	11
Barley	10,056,258	42,432	39.7	6
Other <sup>1</sup>	16,365,542	69,053	73.8	9
Total	175,796,767	741,759	100.0	100

<sup>1</sup>Includes sunflowers, flaxseed, rye, and oats.

than 20 percent of total dollar sales, 78 percent of it grain. The smaller ones, those with less than \$2 million in sales, were nearly 19 percent of all associations, but accounted for less than 10 percent of total sales.

Gross income of first-handlers averaged \$333,079 per association in 1984. Income was derived from margins on sales, service income, patronage refunds, and other nonoperating income. Sales to generate this income came from grain merchandising and farm supply sales. Margins on these sales accounted for 56 percent of gross income and other operating (service) income 44 percent (table 6).

**Table 4—Railroads serving association headquarters, 1984**

Railroad	Locations served		Distribution
	Number	Percent	
Burlington Northern	85	36	
Chicago and Northwestern	8	3	
Santa Fe <sup>1</sup>	23	10	
Union Pacific <sup>2</sup>	18	8	
Soo Line <sup>3</sup>	12	5	
Multiple railroads <sup>4</sup>	10	4	
Other rail lines	25	10	
Not on railroad	56	24	
All associations	237	100	

1-Includes Atchinson, Topeka, and Sante Fe.

2-Includes Missouri Pacific.

3-Includes Milwaukee.

4-Two or more railroads.

**Table 6—Income and expenses per association and allocation of net savings, 1984**

Item	Unit	
	Dollars	Percent
Income:		
Operating:		
Margins on sales	186,038	56
Other (service)	146,019	44
	332,057	
Nonoperating:		
Patronage	9,872	—
Other	(8,850)	—
	1,022	( <sup>1</sup> )
Gross income <sup>2</sup>	333,079	100
Expenses:		
Labor	127,491	43
All other	167,316	57
Total	294,807	100
Net savings before taxes <sup>3</sup>	38,272	
Distribution of savings:		
Paid in cash	9,808	26
Allocated	18,682	49
Unallocated	9,782	25
Total	38,272	100

1-Less than 0.5 percent.

2-Margins on sales plus other operating income and all nonoperating income.

3-Savings before income taxes and allocations.

**Table 5—Total and grain sales, by total sales, 1984**

Total sales	Distribution of associations	Total sales		Grain sales	
		Per association	Distribution	Per association	Proportion of total sales
<i>Million dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>
1.0-1.49	4.6	1,275,695	1.8	1,085,129	85.1
1.5-1.99	13.9	1,749,828	7.5	1,421,253	81.2
2.0-2.49	8.0	2,322,551	5.7	1,891,526	81.4
2.5-2.99	15.2	2,750,485	12.8	2,263,779	82.3
3.0-3.49	10.6	3,270,980	10.6	2,615,636	80.0
3.5-3.99	17.3	3,738,075	19.9	2,913,593	77.9
4.0-4.49	16.5	4,242,227	21.5	3,358,549	79.2
4.5-4.99	13.9	4,723,869	20.2	3,674,029	77.8
All associations	100.0	3,254,401	100.0	2,587,964	79.5

Operating expenses of the first-handlers amounted to \$294,807 per association (table 7). Labor comprised nearly 43 percent of the total. Net savings before taxes ranged from a \$145,000 loss to \$298,000, and averaged \$38,272 per association (table 8). Patronage refunds from other cooperatives, which averaged \$9,872 per association, accounted for nearly 26 percent of net savings.

### Balance Sheet

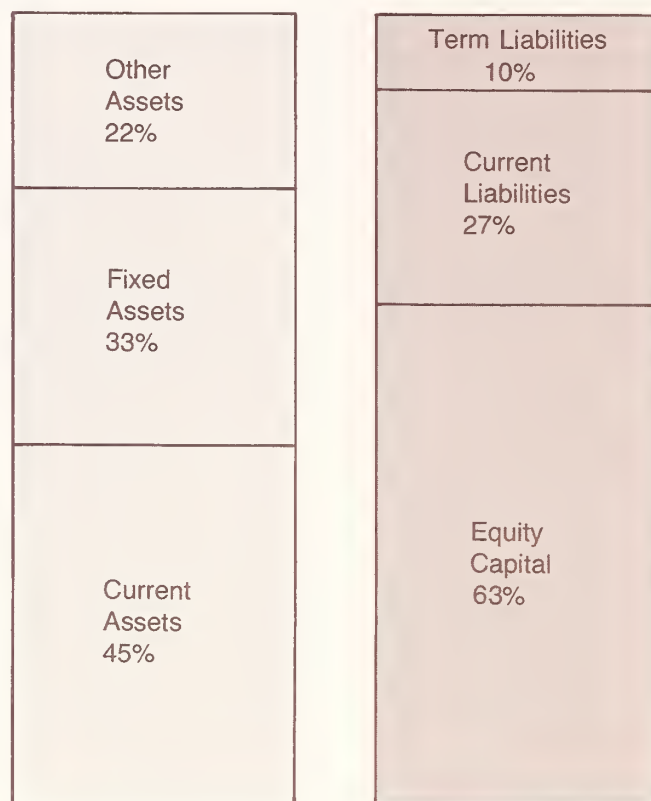
Total value of assets of all first-handlers in 1984 was \$275 million. Cooperative association assets ranged from \$186,000 to nearly \$2.8 million and averaged about \$1.16 million per association (table 9). Close to 81 percent of the associations studied had total assets of \$0.5-\$1.9 million.

The net book value of fixed assets averaged nearly \$382,000 (table 10). Current assets were 45 percent of total assets; fixed assets, 33 percent; investments, mostly in other cooperatives, 21 percent; and other assets, less than 1 percent. Total liabilities (current and long-term) and member equity made up 37 and 63 percent, respectively, of their sum (table 10 and fig. 1).

### Equity Capital

Equity capital provides the element of ownership and control that cooperatives must have to operate and grow. Equity capital serves as a buffer for creditors and to absorb operating losses as well as declines in asset values.

**Figure 1—Condensed balance sheet data for first handlers of grain (averaged \$1.2 million per association)**



**Table 7—Gross income, total and labor expenses, and net savings per association, by total sales, 1984**

Total sales	Gross income	Total expenses	Labor expense		All other expenses		Net savings <sup>1</sup>	Distribu- tion of savings
			Per association	Relative to total	Per association	Relative to total		
<i>Million dollars</i>	<i>Dollars</i>			<i>Percent</i>	<i>Dollar</i>	<i>Percent</i>	<i>Dollar</i>	<i>Percent</i>
1.0-1.49	169,376	154,538	66,636	43	87,902	57	14,838	1.8
1.5-1.99	175,448	154,526	68,140	44	86,386	56	20,922	7.6
2.0-2.49	280,748	259,657	109,560	42	150,097	58	21,091	4.4
2.5-2.99	251,242	228,152	98,985	43	129,167	57	23,090	9.2
3.0-3.49	321,672	291,466	131,997	45	159,469	55	30,206	8.3
3.5-3.99	377,340	340,658	147,395	43	193,263	57	36,682	16.6
4.0-4.49	445,603	380,993	159,179	42	221,814	58	64,610	27.8
4.5-4.99	485,350	418,506	182,954	44	235,552	56	66,844	24.3
All associations	333,079	294,807	127,491	43	167,316	57	38,272	100.0

<sup>1</sup>Savings before income taxes and allocations.



Total equity capital of the first-handlers at the close of 1984 amounted to more than \$172.4 million, an average of \$727,543 per association, or \$1,754 per member (table 11).

The types of equity capital reported by the grain cooperatives at the close of 1984 and their relative importance are shown in table 11 and figure 2.

Equity is provided by patrons and others in several ways:

- The purchase of capital stock or other paper
- The investing of a portion of patronage refunds

**Table 8—Net savings and patronage refunds received per association, by total sales, 1984**

Total sales	Net savings <sup>1</sup>	Patronage from other cooperatives	Patronage income relative to net savings
<i>Million dollars</i>	<i>----- Dollars -----</i>		<i>Percent</i>
1.0-1.49	14,838	6,336	42.7
1.5-1.99	20,922	4,236	20.2
2.0-2.49	21,091	9,395	44.5
2.5-2.99	23,090	7,509	32.5
3.0-3.49	30,206	10,943	36.2
3.5-3.99	36,682	9,075	24.7
4.0-4.49	64,610	15,227	23.6
4.5-4.99	66,844	13,387	20.0
All associations	38,272	9,872	25.8

<sup>1</sup>Savings before income taxes and allocations.

- The contribution of capital through deductions from sales proceeds in the form of per-unit retains.

Two or all of these methods are commonly used by each cooperative.

Common stock (20 percent of total equity capital) is generally used as voting or membership stock by grain cooperatives. Limitations on ownership, transfer, surrender, cancellation, voting, etc., are usually included in the articles of incorporation and are often printed on voting stock certificates. This is because ownership and control must remain with the members if the organization is to qualify as a farmer cooperative under the Capper-Volstead Act and various State laws.

**Table 10—Balance sheet averages per association, 1984**

Item	Unit	
	<i>Dollars</i>	<i>Percent</i>
<b>Assets:</b>		
Current assets	524,746	45
Investments	244,260	21
Fixed	381,660	33
Other	9,992	1
Total	1,160,658	100
<b>Liabilities and member equity:</b>		
Current liabilities	320,079	27
Long-term debt	113,036	10
Equity	727,543	63
Total	1,160,658	100

**Table 9—Selected balance sheet data, by total assets, 1984**

Total assets	Total assets per association	Proportion of total assets represented by —						Member equity
		Current assets	Investments	Net fixed assets	Other assets	Current liabilities	Long-term liabilities	
<i>Thousand dollars</i>	<i>Dollars</i>	<i>----- Percent -----</i>						
Less than 500	371,058	54	19	27	( <sup>1</sup> )	26	5	69
500-999	765,922	47	19	33	1	28	8	64
1,000-1,499	1,237,197	46	21	32	1	30	10	60
1,500-1,999	1,692,670	44	23	32	1	28	11	61
2,000-2,499	2,195,669	42	21	36	1	24	11	65
2,500 or more	2,688,852	38	20	42	( <sup>1</sup> )	9	14	77
All associations	1,160,658	45	21	33	1	27	10	63

<sup>1</sup>Less than 0.5 percent.

Equity certificates and allocated capital credits accounted for 51 percent of total equity capital; unallocated reserves accounted for 23 percent (table 11).

Aggregate net savings after taxes amounted to more than \$8.9 million, with more than \$2.3 million received as patronage refunds from other cooperatives. Net savings after taxes averaged about \$37,655 per association, of which \$9,872 was patronage refunds from other cooperatives. The latter represented nearly 26 percent of net savings before taxes (table 12).

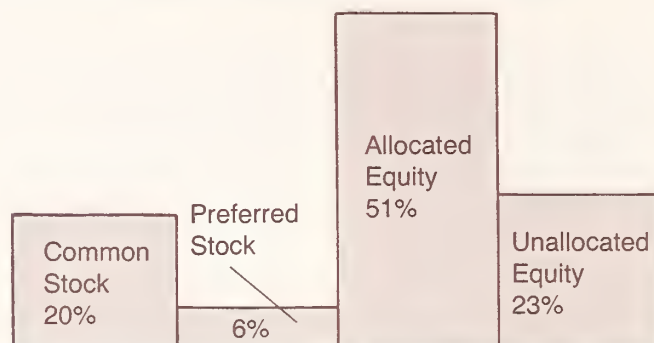
### Net Savings

Net savings figures in this report do not reflect all actual savings and value of services provided to members by the grain cooperatives. Many are buy-and-sell type cooperatives. Most grain cooperatives attempt to provide services close to actual cost so monies to be allocated at the end of the operating year are relatively small.

Grain cooperatives involved in handling grain and farm supplies may realize a net savings from one activity and incur a net loss from the other. These savings and losses are not handled uniformly by all multifunction cooperatives as their bylaws generally differ on the matter. Because a cooperative is a single business entity with generally the same members participating in all functions, the results (net savings or loss) for the operating year typically are reported for the total business.

Federal income tax laws stipulate that the portion of a cooperative's net savings distributed as patronage refunds is currently deductible before figuring income taxes. At least 20 percent of total patronage refunds must be paid in

**Figure 2—Types of equity capital  
(averaged \$727,543 per association)**



**Table 12—Net savings and patronage income received per association, by total assets, 1984**

Total assets	Net savings <sup>1</sup>	Patronage from other cooperatives	Patronage income relative to net savings
<i>Thousand dollars</i>	<i>Dollars</i>		<i>Percent</i>
Less than 500	10,205	2,965	29.1
500-999	15,292	4,555	29.8
1,000-1,499	41,321	7,668	18.6
1,500-1,999	52,389	17,259	32.9
2,000-2,499	105,488	32,205	30.5
2,500 or more	252,620	16,352	6.5
All associations	38,272	9,872	25.8

1-Savings before income taxes and allocations.

**Table 11—Types and amounts of member equity capital, by total assets, 1984**

Total assets	Member equity per association	Percentage of member equity represented by			
		Common stock	Preferred stock	Allocated equity	Unallocated equity
<i>Thousand dollars</i>	<i>Dollars</i>	<i>Percent</i>			
Less than 500	256,874	16	3	45	36
500-999	489,990	12	4	60	24
1,000-1,499	748,472	12	7	61	20
1,500-1,999	1,031,624	30	6	44	20
2,000-2,499	1,433,713	33	6	36	25
2,500 or more	2,084,969	39	0	33	28
All associations	727,543	20	6	51	23

cash. Their payment has long been a trademark of local first-handlers of grain.

At the close of 1984, aggregate net savings before income taxes and allocations was \$9 million, or \$38,272 per association (table 13). Of this, \$6.7 million was operating savings and \$2.3 million was patronage refunds received from other cooperatives. Net savings per association member averaged about \$92.

Table 14 shows how first-handlers allocated net savings. Seventy-one percent was patronage refunds, of which 34

percent was paid out as cash (fig. 3). About 2 percent was used to pay income taxes for 1984.

Table 15 shows the grain cooperatives' incomes and expenses by size of net savings. Table 16 shows the sources of income by size of net savings.

Separate operating statements and balance sheets were developed for both net savings and losses in 1984 (table 17). Net savings for the former group averaged \$67,794, compared with an average loss of \$45,056 for the latter

**Table 13—Income sources, total expenses, and net savings per association, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Income source			Gross income	Total expenses	Net savings (loss) <sup>1</sup>	Gross income per dollar expenses
	Margins on sales	Patronage refunds received	All other				
<i>Thousand dollars</i>	<i>Dollars</i>						
(50 or more)	163,697	12,441	115,104	291,242	371,294	(80,052)	0.78
(25.0-49.9)	170,148	9,359	91,460	270,967	304,813	(33,846)	.89
0-(24.9)	155,259	7,404	99,841	262,504	274,441	(11,937)	.96
1-24.9	161,246	5,301	101,719	268,266	255,609	12,657	1.05
25-49.9	152,851	6,188	93,736	252,775	216,634	36,141	1.17
50-74.9	202,752	10,135	143,826	356,713	295,241	61,472	1.21
75-99.9	218,263	9,871	153,080	381,214	295,010	86,204	1.29
100 or more	256,004	18,725	257,395	532,124	369,936	162,188	1.44
All associations	186,038	9,872	137,169	333,079	294,807	38,272	1.13

1-Savings before income taxes and allocations.

**Table 14—Net savings allocations, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Distribu- tion of associa- tions	Net savings (losses) <sup>1</sup>	Distribution of net savings (losses)				Unallo- cated reserves
			Patronage			Other <sup>2</sup>	
			Paid in cash	Retained	Total		
<i>Thousand dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>				
(50 or more)	10.5	(80,052)					100.0
(25.0-49.9)	6.8	(33,846)					100.0
0-(24.9)	8.9	(11,937)					100.0
1-24.9	24.1	12,657	28	72	62.2	5.0	32.8
25-49.9	13.9	36,141	31	69	65.7	2.5	31.8
50-74.9	9.7	61,472	29	71	59.0	2.0	39.0
75-99.9	8.4	86,204	36	64	35.7	3.3	61.0
100 or more	17.7	162,188	32	68	31.8	3.0	65.2
All associations	100.0	38,272	34	66	71.0	3.4	25.6

1-Savings before income taxes and allocations.

2-Includes dividends/interest on equity capital, an educational provision, and Federal and State income taxes.

**Table 15—Total sales, gross income, net savings, and expenses per association, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Total sales		Proportion gain of total sales	Gross income	Total operating income of gross income <sup>2</sup>		Net savings (loss) <sup>1</sup>
	Per asso- ciation	Distribu- tion			Total	expenses	
<i>Thousand dollars</i>	<i>Dollars</i>	<i>Percent</i>		<i>Dollars</i>	<i>Percent</i>	<i>Dollars</i>	
(50 or more)	3,418,442	11.1	79.2	291,242	105.4	371,294	(80,052)
(25.0-49.9)	3,201,741	6.6	78.3	270,967	104.0	304,813	(33,846)
0-(24.9)	2,617,962	7.1	75.7	262,504	101.1	274,441	(11,937)
1-24.9	3,121,152	23.1	82.7	268,266	103.4	255,609	12,657
25-49.9	2,910,500	12.5	82.8	252,775	97.5	216,634	36,141
50-74.9	3,157,805	9.4	76.1	356,713	100.4	295,241	61,472
75-99.9	3,387,865	8.8	76.7	381,214	99.1	295,010	86,204
100 or more	3,935,427	21.4	78.7	532,124	94.9	369,936	162,188
All associations	3,254,401	100.0	79.5	333,079	99.7	294,807	38,272

1-Savings before income taxes and allocations.

2-Total operating income is margins on sales plus other operating income.

**Table 16—Selected sources of gross income per association, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Sources of income						
	Margins on sales	Patronage refunds received	All other sources <sup>2</sup>	Gross income	Margins on sales	Patronage refunds received	All other sources
<i>Thousand dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>
(50 or more)	163,697	12,441	115,104	291,242	56	4	40
(25.0-49.9)	170,148	9,359	91,460	270,967	63	3	34
0-(24.9)	155,259	7,404	99,841	262,504	59	3	38
1-24.9	161,246	5,301	101,719	268,266	60	2	38
25-49.9	152,851	6,188	93,736	252,775	61	2	37
50-74.9	202,752	10,135	143,826	356,713	57	3	40
75-99.9	218,263	9,871	153,080	381,214	57	3	40
100 or more	256,004	18,725	257,395	532,124	48	4	48
All associations	186,038	9,872	137,169	333,079	56	3	41

1-Savings before income taxes and allocations.

2-Includes operating and nonoperating income.

group. Gross incomes for associations with net savings and those with losses averaged within nearly \$77,000 of each other. Total expenses per association, however, were 12.6 percent higher for those reporting losses.

The debt picture is very different for these two groups. Total debt, including the current portion of long-term debt, averaged \$304,858 per cooperative for those reporting losses, compared with \$191,895 for those reporting net savings. Total debt was 52 percent of member equity and 29 percent of total assets for the cooperatives reporting losses, while it represented only 25

percent of member equity and was only 16 percent of total assets for those with net savings.

The current ratio for cooperatives reporting losses was 1.29 compared with 1.77 for those reporting savings. Member equity for the associations with losses was nearly 56 percent, compared with 65 percent for those with savings. Cooperative associations have varying policies and agreements with patrons for handling losses. Some charge members directly for their share of the loss based on member patronage during the year, while others charge losses against allocated equity of members and often against unallocated equity.



**Table 17—Operating statement and balance sheet data per association reporting (losses) and savings, 1984**

Item	Unit	All associations	Associations reporting (losses)	Associations reporting net savings <sup>1</sup>
Gross income	Dollars	333,079	276,276	353,203
Total expenses	Dollars	294,807	321,332	285,409
Net savings	Dollars	38,272	(45,056)	67,794
Total sales	Dollars	3,254,401	3,091,389	3,312,154
Grain sales	Dollars	2,587,964	2,409,689	2,651,124
Share of total	Percent	79.5	77.9	80.0
Turnover rate	Times	1.33	1.31	1.33
Current assets	Dollars	524,746	427,142	559,325
Investments	Dollars	244,260	247,580	243,083
Fixed assets	Dollars	381,660	372,925	384,755
Other	Dollars	9,992	4,754	11,848
Total assets	Dollars	1,160,658	1,052,401	1,199,011
Current liabilities	Dollars	320,079	330,564	316,364
Long-term liabilities	Dollars	113,036	135,120	105,211
Equity	Dollars	727,543	586,717	777,436
Total liabilities and equity	Dollars	1,160,658	1,052,401	1,199,011
Current ratio	—	1.64	1.29	1.77
Member equity	Percent	62.7	55.8	64.8
Net savings/total assets	Percent	3.30	(4.28)	5.65

<sup>1</sup>Savings before income taxes and allocations.

## FINANCIAL STATEMENT ANALYSIS

Financial and operating ratios offer, with limitations, a means of showing relationships between items in the financial statement of a business operation and are a useful tool in helping to analyze a cooperative's financial and operating relationships. These ratios can indicate but not solve problems. They are largely descriptive but can serve as guidelines for planning purposes. For ratios to aid meaningfully in formulating actions, management must understand their limitations. This involves not only the type of operation the ratio represents but also the period of time being examined. The situation is further complicated because both items in a ratio are subject to wide variation and there are no fixed standards or hard and fast rules for evaluating or interpreting a ratio.

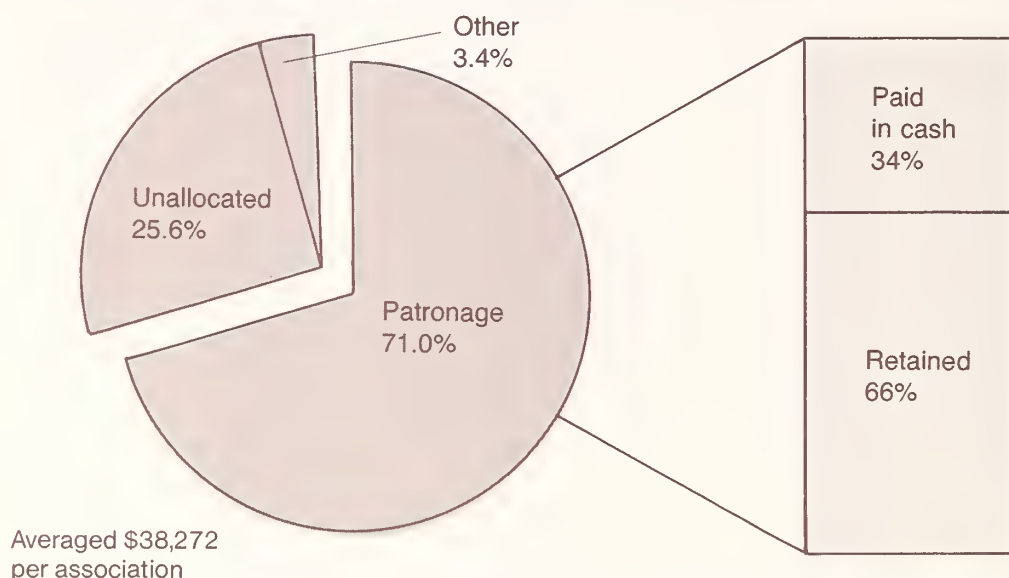
Financial analysis means selecting the various factors for looking at the cooperative's overall condition. Things to

consider are its ability to (1) meet current obligations, (2) earn a satisfactory return on investment, (3) withstand external or internal financial problems, (4) raise capital when needed, and (5) perform efficiently.

In using ratios, management must first determine what it wants to analyze, then select the appropriate ratio(s). Ratios are susceptible to change as conditions change. They must be revised continuously. At best, ratios are approximations and their use is limited because of differences attributed to such factors as type of business (grain, farm supply), time of year closing, different accounting procedures, and utilization of financial resources. Several ratios are worthy of discussion as they relate to the cooperatives in this study.

Selected group ratios (low, average, high) for the combination of four different groupings of the cooperatives studied—storage capacity, total sales, total

**Figure 3—Distribution of net savings**



assets, and net savings—are summarized in table 18. The complete sets of ratios are contained in appendix tables 5, 6, 11, 12, 17, 18, 23, and 24.

The *grain turnover ratio* indicates the use efficiency of the available grain elevator storage space. In this study, the grain volume handled by all associations in 1984 averaged 1.33 times storage capacity. The range for the various groups was from 0.50 to 3.51.

The *current ratio* expresses the relationship between current assets and current liabilities and serves as a general measure of liquidity, or of the cooperative's ability to meet current obligations to creditors. It shouldn't be used without analyzing the individual accounts that comprise current assets. However, it is possible to have a favorable current ratio and not be able to meet current debt obligations because of a long accounts receivables collection period and/or slow-moving inventories. This ratio averaged 1.64 for all associations (table 18). This means that, on average, \$1.64 of current assets was available for each dollar of current liabilities, figure 4. Looking at the classifications in the four appendix tables (5, 11, 17, 23) containing current ratios, it ranged from 1.19 to 4.30.

Some ratios can give an indication of balance sheet strength and the claims of the members and debtors on

the assets owned by the cooperative.

In this study, owners' equity for first-handlers averaged nearly 63 percent of total assets. Owners' equity was equivalent to 114 percent of the noncurrent assets, which comprised nearly 55 percent of total assets. Depending upon the classification of the various items in the financial statement, member equity ranged from a low of 53 percent (table 19) to a high of 78 percent (table 20)—using total assets as a classification. Management should also compute and evaluate certain related ratios, like the amount of debt to the amount of money the members have in the cooperative and the dollar value of fixed assets that the debt and member equity support.

The *liabilities/net worth (equity)* ratio indicates the amount of money the members owe creditors in relation to the amount of money invested by members. If long-term liabilities are a major part of total liabilities, the ratio may be greater because management has a longer timespan to solve any financial problems.

The *net savings/equity* ratio is most commonly used to measure return on investment. For all associations, net savings as a percent of equity ranged from -12.75 to 13.71, and averaged 5.26 percent (table 21). This means that, on average, member patrons earned 5.26 cents for each dollar they had invested in the cooperative. The



**Table 18—Selected overall ratios/percents, 1984**

Item	Value		
	Low	Average	High
Grain turnover rate (times)	0.50	1.33	3.51
Current ratio	1.19	1.64	4.30
Equity/total assets	.53	.63	.88
Total liabilities/total assets	.12	.37	.47
Debt/equity	.03	.30	.65
Debt/assets	.02	.19	.35
Total sales/total assets	1.57	2.80	5.04
Gross margins/total sales (percent)	3.79	5.72	10.81
Net savings/total sales (percent)	(2.34)	1.18	5.99
Labor expenses/total expenses (percent)	37.60	43.20	48.00
Net savings/equity (percent)	(12.75)	5.26	13.71
Net savings/total assets (percent)	(6.81)	3.30	9.87

NOTE: Selected from four groupings: grain storage capacity, total assets, total sales, and net savings. See appendix tables 1-24.

**Table 19—Selected balance sheet ratios, by net savings, 1984**

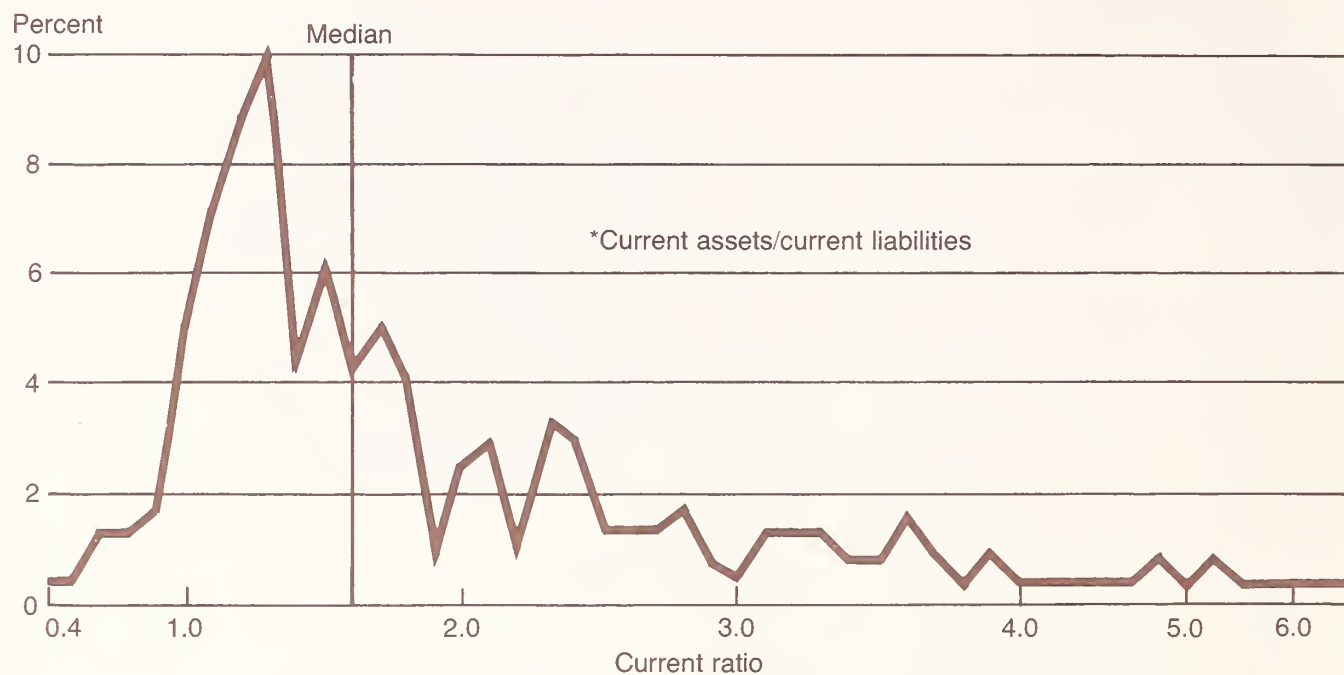
Net savings (loss) <sup>1</sup>	Distribution of associations	Grain turnover rate	Current ratio	Equity	Total liabilities	Debt	Total liabilities	Debt	Total sales
				Total assets	Total assets	Equity	Equity	Assets	Total assets
<i>Thousand dollars</i>	<i>Percent</i>	<i>Times</i>	<i>Ratio</i>						
(50 or more)	10.5	1.13	1.19	0.53	0.47	0.65	0.87	0.35	2.91
(25.0-49.9)	6.8	1.54	1.35	.61	.39	.39	.65	.24	2.90
0-(24.9)	8.9	1.44	1.41	.55	.45	.46	.83	.25	3.02
1-24.9	24.1	1.65	1.39	.56	.44	.37	.77	.21	3.19
25-49.9	13.9	1.83	1.54	.63	.37	.22	.58	.14	3.12
50-74.9	9.7	1.27	2.06	.66	.34	.30	.52	.20	2.72
75-99.9	8.4	1.25	1.72	.65	.35	.19	.54	.12	2.45
100 or more	17.7	1.02	2.34	.72	.28	.18	.39	.13	2.40
All associations	100.0	1.33	1.64	.63	.37	.30	.60	.19	2.80

<sup>1</sup>Savings before income taxes and allocations.

**Table 20—Selected balance sheet ratios, by total assets, 1984**

Total assets	Distribution of associations	Grain turnover rate	Current ratio	Equity	Total liabilities	Debt	Total liabilities	Debt	Total sales
				Total assets	Total assets	Equity	Equity	Assets	Total assets
<i>Thousand dollars</i>	<i>Percent</i>	<i>Times</i>	<i>Ratio</i>						
Less than 500	11.0	1.33	2.06	0.69	0.31	0.16	0.44	0.11	5.04
500-999	32.1	1.54	1.69	.64	.36	.24	.56	.16	3.48
1,000-1,499	29.9	1.44	1.54	.60	.40	.32	.65	.19	2.92
1,500-1,999	18.6	1.24	1.56	.61	.39	.37	.64	.22	2.40
2,000-2,499	7.6	.93	1.78	.65	.35	.30	.53	.20	1.94
2,500 or more	.8	.84	4.30	.78	.22	.21	.29	.16	1.57
All associations	100.0	1.33	1.64	.63	.37	.30	.60	.19	2.80

**Figure 4—Distribution of grain co-ops by current ratio, 1984 \***



frequency distribution of the grain cooperatives by rate of return is shown in figure 5.

The return to total assets reflects how efficiently assets are used. It is measured by the number of dollars of net savings/profit earned per dollar of assets used. For the group of cooperatives studied, the returns averaged 3.30 cents per dollar of assets. The frequency distribution of these cooperatives by rate of return is shown in figure 6.

The *debt/equity* ratio shows the amount of short- and long-term debt the cooperative had in relation to the amount of members' money in the cooperative.

#### COOPERATIVES BY TYPES OF GRAINS HANDLED

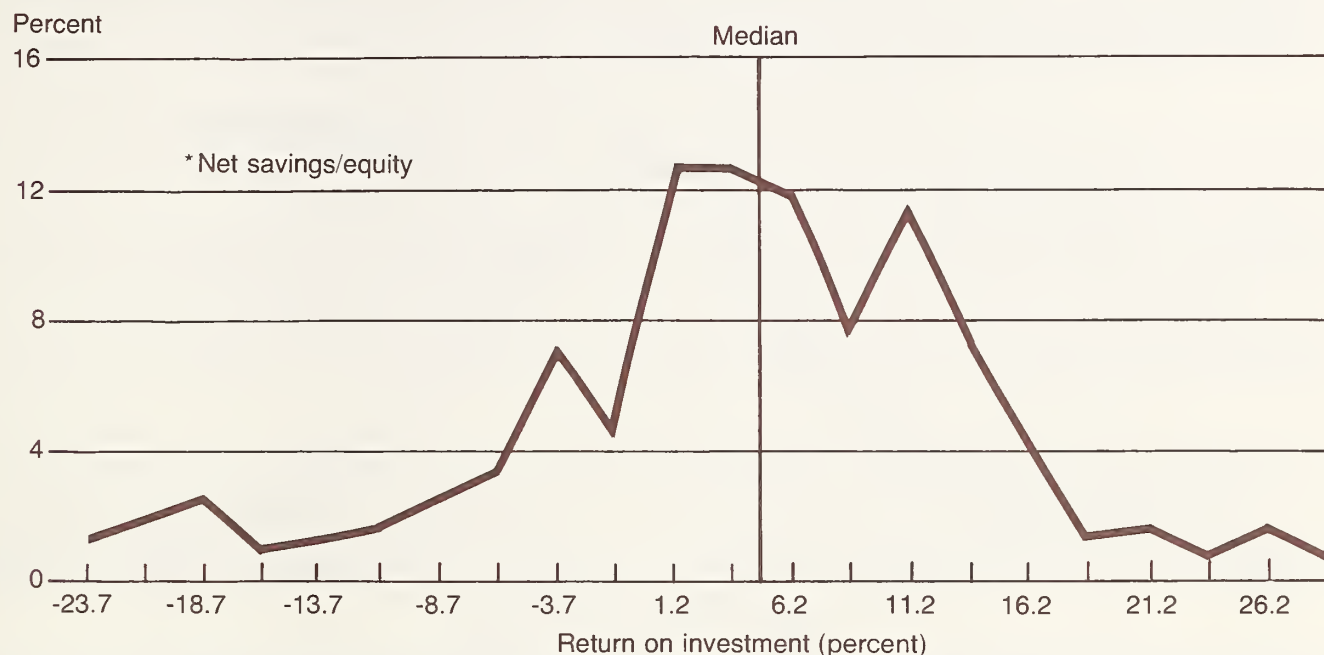
Most cooperative associations in this study could be meaningfully grouped on the basis of grains handled—corn-soybean, wheat-sorghum, and wheat-barley-oats. The corn-soybean cooperatives serve primarily farmers located in the Corn Belt, the wheat-sorghum cooperatives serve largely Southern Plains farmers, the wheat-barley-oats associations provide services to grain farmers in the Northern Plains.

**Wheat-barley-oats** associations marketed 806,012 bushels of grain, with a turnover rate of 2.31 times. Grain sales by these associations was a much higher proportion of total sales (88 percent) than for their two counterparts (table 22).

**Wheat-sorghum** associations were the largest in terms of assets, with total assets of \$1,433,915. These and the corn-soybean associations had 36 percent of their balance sheet in fixed assets, compared with 25 percent for the wheat-barley-oats associations (table 23). Member equity for the three groups ranged from 65 percent for the wheat-sorghum group to 57 percent for the wheat-barley-oats associations.

**Corn-soybean** cooperatives were the largest in terms of total sales, averaging more than \$3.5 million per association (table 24). Operating efficiency, measured here as gross income generated per dollar expended, was lowest for these associations at \$0.96. By contrast, their margins on sales of 5.4 percent was higher than those for the wheat-barley-oats (4.8 percent) but lower than those for the wheat-sorghum (6.8 percent) cooperatives. However, the wheat-sorghum cooperatives derived nearly

**Figure 5— Distribution of grain co-ops by rate of return to member equity, 1984 \***



**Table 21—Selected operating statement relationships, by net savings, 1984**

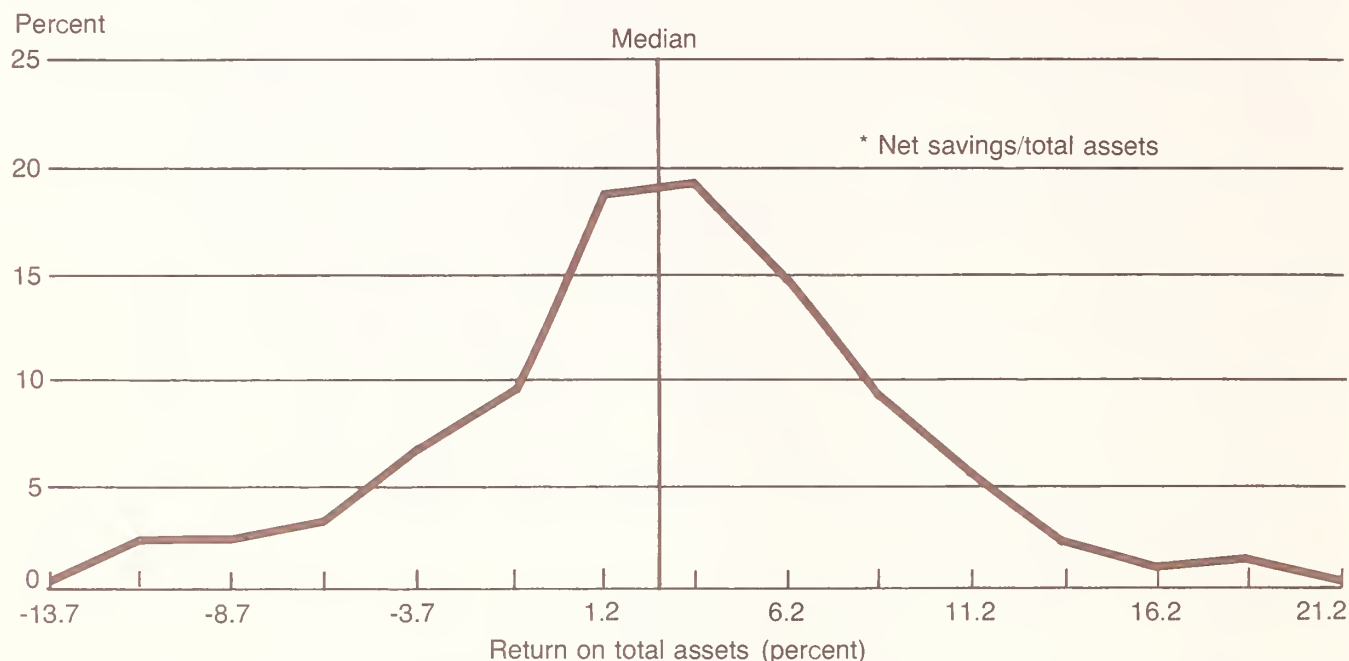
Net savings (loss) <sup>1</sup>	Distribution of associations	Gross margins	Net savings <sup>1</sup>	Labor expense	Net savings <sup>1</sup>	Net savings <sup>1</sup>
		Total sales	Total sales	Total expenses	Equity	Total assets
<i>Thousand dollars</i>		<i>Percent</i>				
(50 or more)	10.5	4.79	(2.34)	40.3	(12.75)	(6.81)
(25.0-49.9)	6.8	5.31	(1.06)	41.7	(5.05)	(3.07)
0-(24.9)	8.9	5.93	(.46)	46.8	(2.52)	(1.38)
1-24.9	24.1	5.17	.41	43.1	2.30	1.30
25-49.9	13.9	5.25	1.24	44.2	6.13	3.88
50-74.9	9.7	6.42	1.95	43.9	8.05	5.29
75-99.9	8.4	6.44	2.54	45.2	9.60	6.24
100 or more	17.7	6.51	4.12	42.8	13.71	9.87
All associations	100.0	5.72	1.18	43.2	5.26	3.30

<sup>1</sup>-Savings before income taxes and allocations.

51 percent of their gross income from sources other than margins, largely from services provided. This compares with 37 and 33 percent, respectively, for the wheat-barley-oats and corn-soybean associations.

Net savings for the three groups ranged from a \$13,312 loss for the corn-soybean associations to \$62,667 for the wheat-sorghum associations. The wheat-sorghum associations had 1-1/2 times the net savings of the wheat-

**Figure 6—Distribution of grain co-ops by rate of return to total assets, 1984 \***



**Table 22—Grain storage capacity, marketed, and sales, by type of cooperative association, 1984**

Type of association	Elevator storage capacity		Locations per association	Grain marketed per association	Turn-over rate	Proportion grain of total sales
	Per association	Per location				
	<i>Bushels</i>		<i>Number</i>	<i>Bushels</i>	<i>Times</i>	<i>Percent</i>
Corn-soybean	484,250	435,004	1.1	654,278	1.35	77.2
Wheat-sorghum	747,097	621,270	1.2	732,288	.98	74.6
Wheat-barley-oats	349,496	327,989	1.1	806,012	2.31	87.8
All associations	558,089	495,382	1.1	741,759	1.33	79.5

**Table 23—Balance sheet, by type of cooperative association, 1984**

Type of association	Total assets	Current assets	Investments	Net fixed assets	Other assets	Total liabilities and member equity	Current liabilities	Long-term debt	Member equity
	<i>Dollars</i>	<i>Percent</i>		<i>Percent</i>		<i>Dollars</i>	<i>Percent</i>		
Corn-soybean	1,017,373	44.9	18.0	36.4	0.7	1,017,373	28.8	11.3	
Wheat-sorghum	1,433,915	39.3	24.0	35.9	.8	1,433,915	22.5	12.1	
Wheat-barley-oats	1,032,701	54.9	19.3	25.0	.8	1,032,701	36.8	5.7	
All associations	1,160,658	45.2	21.0	32.9	.9	1,160,658	27.6	9.7	

barley-oats associations (table 25). One out of two corn-soybean associations reported a loss for 1984. This compares with nearly 22 percent of the wheat-sorghum and 13 percent of the wheat-barley-oats cooperatives. Two of the three groups paid cash patronage of at least 31 percent.

## HOW DOES YOUR ASSOCIATION COMPARE?

Substantial change has taken place in the financial structure of grain cooperatives since the upsurge in grain sales in the late 1970's. This is the result of operational changes by cooperatives in response to changes in exports, production, transportation, farm programs, financial markets, and the world economic situation in general.

### Size Criteria

Recognizing that the adjustments made by grain cooperatives result in considerable variation in their physical and financial characteristics, four sets of tables

were developed based on four size criteria—grain storage capacity, total sales, total assets, and net savings (appendix tables 1-24). With this information, it can readily be determined how an association compares with others having similar operations in the grain-producing areas of the United States.

## Your Cooperative

Balance sheet and operating data have been prepared for different sizes of cooperative elevators based on (1) storage capacity, (2) total sales, (3) total assets, and (4) net savings. This information should be beneficial to each cooperative association as a guide in managerial decisionmaking. Appendix B provides averages for all associations and appendix A tables can be used to locate the categories that fit your cooperative.

Managers and directors should be aware of their cooperatives' profiles and use them as a guide in planning. Appendix B provides an outline format to analyze your association's operating statement and balance sheet.

**Table 24—Income statement, by type of cooperative association, 1984**

Item	Type of association			
	Corn-soybean	Wheat-sorghum	Wheat-barley-oats	All associations
<i>Dollars</i>				
Total sales	3,552,276	3,250,974	3,081,631	3,254,401
Cost of sales	3,358,801	3,029,627	2,933,972	3,068,363
Margins on sales	193,475	221,347	147,659	186,038
Patronage refunds received	3,723	21,803	1,936	9,872
Other income <sup>1</sup>	91,400	205,209	83,064	137,169
Gross income	288,598	448,359	232,659	333,079
Total expenses	301,910	385,692	191,713	294,807
Net savings <sup>2</sup>	(13,312)	62,667	40,946	38,272
Gross income per dollar expense	0.96	1.16	1.21	1.13
<i>Percent</i>				
Proportion labor of total expenses	43.6	42.5	45.2	43.2

<sup>1</sup>Includes other operating income, interest received (paid), rent, sales of assets/losses, etc.

<sup>2</sup>Savings before income taxes and allocations.

**Table 25—Net savings allocations, by type of cooperative association, 1984**

Type of association	Net savings (loss) <sup>1</sup>	Distribution of net savings				Unallo- cated reserves
		Patronage			Other <sup>2</sup>	
		Paid in cash	Retained	Total		
	<i>Dollars</i>	<i>Percent</i>				
Corn-soybean	(13,312)					100.0
Wheat-sorghum	62,667	31	69	84.3	3.5	12.2
Wheat-barley-oats	40,946	37	63	26.0	2.3	71.7
All associations	38,272	34	66	71.0	3.4	25.6

1-Savings before income taxes and allocations.

2-Includes dividends/interest on equity capital, an educational provision, and Federal and State income taxes.



## Appendix A

**Appendix table 1—Grain storage capacity, marketed, and sales, by grain storage capacity, 1984**

Storage capacity	Distribution of associations	Elevator storage capacity		Locations per association	Grain marketed per association	Turn-over rate	Proportion grain of total sales
		Per association	Per location				
<i>Thousand bushels</i>	<i>Percent</i>	<i>Bushels</i>		<i>Number</i>	<i>Bushels</i>	<i>Times</i>	<i>Percent</i>
Less than 250	17.7	177,888	173,751	1.0	624,318	3.51	78.5
250-499	34.2	343,185	323,232	1.1	730,273	2.13	82.8
500-749	23.2	612,801	526,626	1.2	664,513	1.08	74.4
750-999	13.9	859,463	746,376	1.2	860,628	1.00	78.9
1,000-1,249	7.2	1,113,216	756,987	1.5	956,026	.86	81.1
1,250-1,499	1.3	1,350,000	1,350,000	1.0	842,738	.62	84.3
1,500-1,749	.8	1,602,515	1,602,515	1.0	1,140,474	.71	76.2
1,750 or more	1.7	2,187,950	1,458,633	1.5	1,103,198	.50	88.3
All associations	100.0	558,089	495,382	1.1	741,759	1.33	79.5

**Appendix table 2—Balance sheet, by grain storage capacity, 1984**

Storage capacity	Distribution of associations	Total assets	Current assets	Investments	Net fixed assets	Other assets	Total liabilities and member equity	Current liabilities	Long-term debt	Member equity
Thousand bushels	Percent	Dollars	Percent			Dollars		Percent		
Less than 250	17.7	831,148	57.8	20.0	21.5	0.7	831,148	34.4	5.8	59.8
250-499	34.2	1,006,419	46.4	21.9	30.9	.8	1,006,419	31.4	8.1	60.5
500-749	23.2	1,165,052	43.4	21.6	34.1	.9	1,165,052	26.4	10.9	62.7
750-999	13.9	1,573,771	40.5	21.4	37.3	.8	1,573,771	23.9	13.7	62.4
1,000-1,249	7.2	1,662,079	41.6	19.7	37.5	1.2	1,662,079	22.1	10.7	67.2
1,250-1,499	1.3	1,163,318	38.9	15.1	42.6	3.4	1,163,318	14.5	12.8	72.7
1,500-1,749	.8	2,154,130	42.5	18.1	39.4	.0	2,154,130	14.2	1.4	84.4
1,750 or more	1.7	1,645,472	39.9	18.1	42.0	.0	1,645,472	24.0	6.8	69.2
All associations	100.0	1,160,658	45.2	21.0	32.9	.9	1,160,658	27.6	9.7	62.7

**Appendix table 3—Income statement, by grain storage capacity, 1984**

Storage capacity	Distribution of associations	Total sales	Cost of sales	Margins on sales	Patronage refunds received	Other income <sup>1</sup>	Gross income	Total expenses	Net savings <sup>2</sup>	Gross income per dollar expense	Proportion labor of total expenses
<i>Thousand bushels</i>	<i>Percent</i>	<i>Dollars</i>								<i>Percent</i>	
Less than 250	17.7	2,665,886	2,508,526	157,360	2,531	64,924	224,815	194,597	30,218	1.16	46.8
250-499	34.2	3,138,603	2,970,448	168,155	7,156	92,434	267,745	251,456	16,289	1.06	44.4
500-749	23.2	3,267,244	3,070,908	196,336	11,807	148,352	356,495	326,671	29,824	1.09	43.5
750-999	13.9	3,688,226	3,462,138	226,088	18,970	208,257	453,315	390,964	62,351	1.16	40.5
1,000-1,249	7.2	3,929,789	3,698,842	230,947	18,919	238,113	487,979	399,907	88,072	1.22	41.2
1,250-1,499	1.3	3,388,237	3,247,124	141,113	4,981	264,386	410,480	304,832	105,648	1.35	40.9
1,500-1,749	.8	4,805,494	4,502,968	302,526	14,194	323,968	640,688	437,021	203,667	1.47	48.0
1,750 or more	1.7	4,276,748	4,114,850	161,898	3,325	443,523	608,746	468,134	140,612	1.30	37.6
All associations	100.0	3,254,401	3,068,363	186,038	9,872	137,169	333,079	294,807	38,272	1.13	43.2

1-Includes other operating income, interest received (paid), rent, sales of assets gains/losses, etc.

2-Savings before income taxes and allocations.

**Appendix table 4—Net savings allocations, by grain storage capacity, 1984**

Storage capacity	Distribution of associations	Net savings <sup>1</sup>	Distribution of net savings				
			Patronage			Other <sup>2</sup>	Unallocated reserves
			Paid in cash	Retained	Total		
<i>Thousand bushels</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>				
Less than 250	17.7	30,218	44	56	57.0	2.8	40.2
250-499	34.2	16,289	42	58	49.3	3.9	46.8
500-749	23.2	29,824	38	62	75.2	5.4	19.4
750-999	13.9	62,351	29	71	90.8	2.1	7.1
1,000-1,249	7.2	88,072	35	65	70.8	3.8	25.4
1,250-1,499	1.3	105,648	21	79	49.5	6.7	43.8
1,500-1,749	.8	203,667	31	69	79.9	2.3	17.8
1,750 or more	1.7	140,612	20	80	75.6	.5	23.9
All associations	100.0	38,272	34	66	71.0	3.4	25.6

1-Savings before income taxes and allocations.

2-Includes dividends/interest on equity capital, an educational provision, and Federal and State income taxes.

**Appendix table 5—Selected balance sheet ratios, by grain storage capacity, 1984**

Storage capacity	Distribution of associations	Grain turnover rate	Current ratio	Equity	Total liabilities	Debt	Total liabilities	Debt	Total sales
				Total assets	Total assets	Equity	Equity	Assets	Total assets
<i>Thousand bushels</i>	<i>Percent</i>	<i>Times</i>	<i>Ratio</i>						
Less than 250	17.7	3.51	1.68	0.60	0.40	0.20	0.67	0.12	3.21
250-499	34.2	2.13	1.48	.60	.40	.27	.65	.16	3.12
500-749	23.2	1.08	1.64	.63	.37	.39	.60	.24	2.80
750-999	13.9	1.00	1.70	.62	.38	.38	.60	.23	2.34
1,000-1,249	7.2	.86	1.88	.67	.33	.30	.49	.20	2.36
1,250-1,499	1.3	.62	2.69	.73	.27	.23	.38	.17	2.91
1,500-1,749	.8	.71	3.00	.84	.16	.03	.18	.02	2.23
1,750 or more	1.7	.50	1.66	.69	.31	.22	.44	.15	2.60
All associations	100.0	1.33	1.64	.63	.37	.30	.60	.19	2.80

**Appendix table 6—Selected operating statement relationships, by grain storage capacity, 1984**

Storage capacity	Distribution of associations	Gross margins	Net savings <sup>1</sup>	Labor expense	Net savings <sup>1</sup>	Net savings <sup>1</sup>
		Total sales	Total sales	Total expenses	Equity	Total assets
<i>Thousand bushels</i>						
Less than 250	17.7	5.90	1.13	46.8	6.08	3.64
250-499	34.2	5.36	.52	44.4	2.68	1.62
500-749	23.2	6.01	.91	43.5	4.09	2.56
750-999	13.9	6.13	1.69	40.5	6.35	3.96
1,000-1,249	7.2	5.88	2.24	41.2	7.88	5.30
1,250-1,499	1.3	4.16	3.12	40.9	12.49	9.08
1,500-1,749	.8	6.30	4.24	48.0	11.20	9.45
1,750 or more	1.7	3.79	3.29	37.6	12.34	8.55
All associations	100.0	5.72	1.18	43.2	5.26	3.30

<sup>1</sup>Savings before income taxes and allocations.

**Appendix table 7—Grain storage capacity, marketed, and sales, by total sales, 1984**

Total sales	Distribution of associations	Elevator storage capacity		Locations per association	Grain marketed per association	Turn-over rate	Proportion grain of total sales
		Per association	Per location				
<i>Million dollars</i>	<i>Percent</i>	<i>Bushels</i>		<i>Number</i>	<i>Bushels</i>	<i>Times</i>	<i>Percent</i>
1.0-1.49	4.6	370,497	339,623	1.1	327,029	0.88	85.1
1.5-1.99	13.9	381,082	339,884	1.1	432,602	1.14	81.2
2.0-2.49	8.0	488,810	488,810	1.0	552,048	1.13	81.4
2.5-2.99	15.2	444,618	421,217	1.1	630,579	1.42	82.3
3.0-3.49	10.6	504,396	504,396	1.0	794,278	1.57	80.0
3.5-3.99	17.3	571,681	498,701	1.1	811,953	1.42	77.9
4.0-4.49	16.5	734,538	651,068	1.1	960,764	1.31	79.2
4.5-4.99	13.9	776,560	569,477	1.4	1,033,849	1.33	77.8
All associations	100.0	558,089	495,382	1.1	741,759	1.33	79.5

**Appendix table 8—Balance sheet, by total sales, 1984**

Total sales	Distribution of associations	Total assets	Current assets	Investments	Net fixed assets	Other assets	Total liabilities and member equity	Current liabilities	Long-term debt	Member equity
<i>Million dollars</i>	<i>Percent</i>	<i>Dollars</i>					<i>Dollars</i>			
1.0-1.49	4.6	564,721	41.4	21.8	35.2	1.6	564,721	23.0	9.6	67.4
1.5-1.99	13.9	646,604	55.4	18.7	25.4	.5	646,604	29.7	4.4	65.9
2.0-2.49	8.0	963,633	38.9	20.7	38.7	1.7	963,633	25.0	8.6	66.4
2.5-2.99	15.2	841,361	45.9	24.5	28.8	.8	841,361	26.4	8.1	65.5
3.0-3.49	10.6	1,231,149	50.1	21.3	27.5	1.1	1,231,149	35.6	7.3	57.1
3.5-3.99	17.3	1,276,776	43.2	20.6	35.6	.6	1,276,776	22.6	12.3	65.1
4.0-4.49	16.5	1,555,282	44.0	21.2	34.2	.6	1,555,282	28.1	11.4	60.5
4.5-4.99	13.9	1,671,073	44.0	20.1	34.9	1.0	1,671,073	28.5	10.1	61.4
All associations	100.0	1,160,658	45.2	21.0	32.9	.9	1,160,658	27.6	9.7	62.7

**Appendix table 9—Income statement, by total sales, 1984**

Total sales	Distribution of associations	Total sales	Cost of sales	Margins on sales	Patronage refunds received	Other income <sup>1</sup>	Gross income	Total expenses	Net savings <sup>2</sup>	Gross income per dollar expense	Proportion labor of total expenses
<i>Million dollars</i>	<i>Percent</i>	<i>Dollars</i>									<i>Percent</i>
1.0-1.49	4.6	1,275,695	1,195,436	80,259	6,336	82,781	169,376	154,538	14,838	1.10	43.1
1.5-1.99	13.9	1,749,828	1,656,113	93,715	4,236	77,497	175,448	154,526	20,922	1.14	44.1
2.0-2.49	8.0	2,322,551	2,195,788	126,763	9,395	144,590	280,748	259,657	21,091	1.08	42.2
2.5-2.99	15.2	2,750,485	2,606,099	144,386	7,509	99,347	251,242	228,152	23,090	1.10	43.4
3.0-3.49	10.6	3,270,980	3,081,697	189,283	10,943	121,446	321,672	291,466	30,206	1.10	45.3
3.5-3.99	17.3	3,738,075	3,514,983	223,092	9,075	145,173	377,340	340,658	36,682	1.11	43.3
4.0-4.49	16.5	4,242,227	4,006,633	235,594	15,227	194,782	445,603	380,993	64,610	1.17	41.8
4.5-4.99	13.9	4,723,869	4,437,740	286,129	13,387	185,834	485,350	418,506	66,844	1.16	43.7
All associations	100.0	3,254,401	3,068,363	186,038	9,872	137,169	333,079	294,807	38,272	1.13	43.2

1-Includes other operating income, interest received (paid), rent, sales of assets gains/losses, etc.

2-Savings before income taxes and allocations.

**Appendix table 10—Net savings allocations, by total sales, 1984**

Total sales	Distribution of associations	Net savings <sup>1</sup>	Distribution of net savings				Unallocated reserves
			Patronage			Other <sup>2</sup>	
			Paid in cash	Retained	Total		
<i>Million dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>				
1.0-1.49	4.6	14,838	41	59	20.5	7.1	72.4
1.5-1.99	13.9	20,922	36	64	53.9	4.2	41.9
2.0-2.49	8.0	21,091	27	73	87.9	6.6	5.5
2.5-2.99	15.2	23,090	38	62	68.1	4.9	27.0
3.0-3.49	10.6	30,206	35	65	52.8	3.4	43.8
3.5-3.99	17.3	36,682	30	70	72.4	4.1	23.5
4.0-4.49	16.5	64,610	27	73	77.2	2.2	20.6
4.5-4.99	13.9	66,844	43	57	76.5	2.5	21.0
All associations	100.0	38,272	34	66	71.0	3.4	25.6

1-Savings before income taxes and allocations.

2-Includes dividends/interest on equity capital, an educational provision, and Federal and State income taxes.

**Appendix table 11—Selected balance sheet ratios, by total sales, 1984**

Total sales	Distribution of associations	Grain turnover rate	Current ratio	Equity	Total liabilities	Debt	Total liabilities	Debt	Total sales
				Total assets	Total assets	Equity	Equity	Assets	Total assets
<i>Million dollars</i>	<i>Percent</i>	<i>Times</i>	<i>Ratio</i>						
1.0-1.49	4.6	0.88	1.80	0.67	0.33	0.31	0.48	0.21	2.26
1.5-1.99	13.9	1.14	1.87	.84	.16	.15	.52	.10	2.71
2.0-2.49	8.0	1.13	1.56	.59	.41	.30	.51	.20	2.41
2.5-2.99	15.2	1.42	1.74	.70	.30	.24	.53	.16	3.27
3.0-3.49	10.6	1.57	1.41	.88	.12	.30	.75	.17	2.66
3.5-3.99	17.3	1.42	1.91	.66	.34	.32	.54	.21	2.93
4.0-4.49	16.5	1.31	1.57	.73	.27	.37	.65	.22	2.73
4.5-4.99	13.9	1.33	1.54	.72	.28	.32	.63	.20	2.83
All associations	100.0	1.33	1.64	.63	.37	.30	.60	.19	2.80

**Appendix table 12—Selected operating statement relationships, by total sales, 1984**

Total sales	Distribution of associations	Gross margins	Net savings <sup>1</sup>	Labor expense	Net savings <sup>1</sup>	Net savings <sup>1</sup>
		Total sales	Total sales	Total expenses	Equity	Total assets
<i>Million dollars</i>	<i>Percent</i>					
1.0-1.49	4.6	6.29	1.16	43.1	3.90	2.63
1.5-1.99	13.9	5.36	1.20	44.1	4.91	3.24
2.0-2.49	8.0	5.46	.91	42.2	3.30	2.19
2.5-2.99	15.2	5.25	.84	43.4	4.19	2.74
3.0-3.49	10.6	5.79	.92	45.3	4.29	2.45
3.5-3.99	17.3	5.97	.98	43.3	4.41	2.87
4.0-4.49	16.5	5.55	1.52	41.8	6.87	4.15
4.5-4.99	13.9	6.06	1.42	43.7	6.51	4.00
All associations	100.0	5.72	1.18	43.2	5.26	3.30

<sup>1</sup>Savings before income taxes and allocations.

**Appendix table 13—Grain storage capacity, marketed, and sales, by total assets, 1984**

Total assets	Distribution of associations	Elevator storage capacity		Locations per association	Grain marketed per association	Turn-over rate	Proportion grain of total sales
		Per association	Per location				
<i>Thousand dollars</i>	<i>Percent</i>	<i>Bushels</i>		<i>Number</i>	<i>Bushels</i>	<i>Times</i>	<i>Percent</i>
Less than 500	11.0	339,309	294,068	1.2	451,082	1.33	88.9
500-999	32.1	410,176	384,856	1.1	632,754	1.54	82.9
1,000-1,499	29.9	574,360	509,745	1.1	824,529	1.44	80.3
1,500-1,999	18.6	719,548	633,202	1.1	888,688	1.24	75.2
2,000-2,499	7.6	995,333	778,956	1.3	928,915	.93	74.3
2,500 or more	.8	958,000	638,667	1.5	807,548	.84	61.4
All associations	100.0	558,089	495,382	1.1	741,759	1.33	79.5



**Appendix table 14—Balance sheet, by total assets, 1984**

Total assets	Distribution of associations	Total assets	Current assets	Investments	Net fixed assets	Other assets	Total liabilities and member equity	Current liabilities	Long-term debt	Member equity
<i>Thousand dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>		<i>Dollars</i>		<i>Percent</i>			
Less than 500	11.0	371,058	53.8	19.0	26.7	0.5	371,058	26.2	4.6	69.2
500-999	32.1	765,922	46.8	19.4	32.8	1.0	765,922	27.8	8.2	64.0
1,000-1,499	29.9	1,237,197	46.1	21.1	32.0	.8	1,237,197	30.0	9.5	60.5
1,500-1,999	18.6	1,692,670	43.9	22.8	32.5	.8	1,692,670	28.1	11.0	60.9
2,000-2,499	7.6	2,195,669	42.3	20.7	35.8	1.2	2,195,669	23.8	10.9	65.3
2,500 or more	.8	2,688,852	38.1	20.1	41.4	.4	2,688,852	8.8	13.7	77.5
All associations	100.0	1,160,658	45.2	21.0	32.9	.9	1,160,658	27.6	9.7	62.7

**Appendix table 15—Income statement, by total assets, 1984**

Total assets	Distribution of associations	Total sales	Cost of sales	Margins on sales	Patronage refunds received	Other income <sup>1</sup>	Gross income	Total expenses	Net savings <sup>2</sup>	Gross income per dollar expense	Proportion labor of total expenses
<i>Thousand dollars</i>	<i>Percent</i>	<i>Dollars</i>		<i>Percent</i>		<i>Dollars</i>		<i>Percent</i>			
Less than 500	11.0	1,871,199	1,787,605	83,594	2,965	65,603	152,162	141,957	10,205	1.07	43.3
500-999	32.1	2,664,843	2,534,409	130,434	4,555	88,858	223,847	208,555	15,292	1.07	43.5
1,000-1,499	29.9	3,610,698	3,413,231	197,467	7,668	129,239	334,374	293,053	41,321	1.14	44.3
1,500-1,999	18.6	4,064,676	3,801,278	263,398	17,259	201,719	482,376	429,987	52,389	1.12	42.4
2,000-2,499	7.6	4,248,732	3,944,092	304,640	32,205	295,796	632,641	527,153	105,488	1.20	42.6
2,500 or more	.8	4,215,642	3,759,868	455,774	16,352	337,103	809,229	556,609	252,620	1.45	39.6
All associations	100.0	3,254,401	3,068,363	186,038	9,872	137,169	333,079	294,807	38,272	1.13	43.2

1-Includes other operating income, interest received (paid), rent, sales of assets gains/losses, etc.

2-Savings before income taxes and allocations.

**Appendix table 16—Net savings allocations, by total assets, 1984**

Total assets	Distribution of associations	Net savings <sup>1</sup>	Distribution of net savings				Unallocated reserves
			Patronage			Other <sup>2</sup>	
			Paid in cash	Retained	Total		
<i>Thousand dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>				
Less than 500	11.0	10,205	25	75	72.9	6.7	20.4
500-999	32.1	15,292	30	70	66.3	4.8	28.9
1,000-1,499	29.9	41,321	40	60	67.6	4.8	27.6
1,500-1,999	18.6	52,389	32	68	67.1	1.1	31.8
2,000-2,499	7.6	105,488	32	68	83.4	2.2	14.4
2,500 or more	.8	252,620	25	75	72.6	5.8	21.6
All associations	100.0	38,272	34	66	71.0	3.4	25.6

1-Savings before income taxes and allocations.

2-Includes dividends/interest on equity capital, an educational provision, and Federal and State income taxes.



**Appendix table 17—Selected balance sheet ratios, by total assets, 1984**

Total assets	Distribution of associations	Grain turnover rate	Current ratio	Equity	Total liabilities	Debt	Total liabilities	Debt	Total sales
				Total assets	Total assets	Equity	Equity	Assets	Total assets
<i>Thousand dollars</i>	<i>Percent</i>	<i>Times</i>	<i>Ratio</i>						
Less than 500	11.0	1.33	2.06	0.69	0.31	0.16	0.44	0.11	5.04
500-999	32.1	1.54	1.69	.64	.36	.24	.56	.16	3.48
1,000-1,499	29.9	1.44	1.54	.60	.40	.32	.65	.19	2.92
1,500-1,999	18.6	1.24	1.56	.61	.39	.37	.64	.22	2.40
2,000-2,499	7.6	.93	1.78	.65	.35	.30	.53	.20	1.94
2,500 or more	.8	.84	4.30	.78	.22	.21	.29	.16	1.57
All associations	100.0	1.33	1.64	.63	.37	.30	.60	.19	2.80

**Appendix table 18—Selected operating statement relationships, by total assets, 1984**

Total assets	Distribution of associations	Gross margins	Net savings <sup>1</sup>	Labor expense	Net savings <sup>1</sup>	Net savings <sup>1</sup>
		Total sales	Total sales	Total expenses	Equity	Total assets
<i>Thousand dollars</i>		<i>Percent</i>				
Less than 500	11.0	4.47	0.54	43.3	3.97	2.75
500-999	32.1	4.89	.57	43.5	3.12	2.00
1,000-1,499	29.9	5.47	1.14	44.3	5.52	3.34
1,500-1,999	18.6	6.48	1.29	42.4	5.08	3.10
2,000-2,499	7.6	7.17	2.48	42.6	7.36	4.80
2,500 or more	.8	10.81	5.99	39.6	12.12	9.40
All associations	100.0	5.72	1.18	43.2	5.26	3.30

<sup>1</sup>Savings before income taxes and allocations.

**Appendix table 19—Grain storage capacity, marketed, and sales, by net savings, 1984**

Net savings (loss)	Distribution of associations	Elevator storage capacity		Locations per association	Grain marketed per association	Turn-over rate	Proportion grain of total sales
		Per association	Per location				
<i>Thousand dollars</i>	<i>Percent</i>	<i>Bushels</i>		<i>Number</i>	<i>Bushels</i>	<i>Times</i>	<i>Percent</i>
(50 or more)	10.5	592,632	493,860	1.2	667,081	1.13	79.2
(25.0-49.9)	6.8	471,209	418,853	1.1	723,519	1.54	78.3
0-(24.9)	8.9	386,320	386,320	1.0	555,894	1.44	75.7
1-24.9	24.1	439,156	410,359	1.1	725,055	1.65	82.7
25-49.9	13.9	381,238	370,025	1.0	696,655	1.83	82.8
50-74.9	9.7	578,313	475,043	1.2	732,293	1.27	76.1
75-99.9	8.4	619,676	619,676	1.0	774,958	1.25	76.7
100 or more	17.7	916,471	699,851	1.3	933,572	1.02	78.7
All associations	100.0	558,089	495,382	1.1	741,759	1.33	79.5

**Appendix table 20—Balance sheet, by net savings, 1984**

Net savings (loss)	Distribution of associations	Total assets	Current assets	Invest- ments	Net fixed assets	Other assets	:	Total lia- bilities and member equity	:	Current liabil- ities	Long- term debt	Member equity
<i>Thousand dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>			<i>Dollars</i>			<i>Percent</i>			
(50 or more)	10.5	1,175,594	37.9	23.5	38.0	0.6		1,175,594		31.9	14.7	53.4
(25.0-49.9)	6.8	1,103,871	37.7	23.9	38.4	*		1,103,871		27.9	11.3	60.8
0-(24.9)	8.9	866,528	47.8	23.2	28.4	.6		866,528		33.9	11.5	54.6
1-24.9	24.1	976,989	47.7	20.2	31.0	1.1		976,989		34.2	9.4	56.4
25-49.9	13.9	932,135	46.1	22.1	31.1	.7		932,135		29.9	6.8	63.3
50-74.9	9.7	1,161,686	48.5	19.1	30.7	1.7		1,161,686		23.5	10.8	65.7
75-99.9	8.4	1,382,400	46.2	24.4	28.9	.5		1,382,400		26.8	8.2	65.0
100 or more	17.7	1,643,128	45.5	18.3	35.3	.9		1,643,128		19.4	8.6	72.0
All associations	100.0	1,160,658	45.2	21.0	32.9	.9		1,160,658		27.6	9.7	62.7

\* Less than 0.05 percent.

**Appendix table 21—Income statement, by net savings, 1984**

Net savings (loss)	Distribution of associations	Total sales	Cost of sales	Margins on sales	Patronage refunds received	Other income <sup>1</sup>	Gross income	Total expenses	Net savings <sup>2</sup>	Gross income per dollar expense	Proportion labor of total expenses
<i>Thousand dollars</i>	<i>Percent</i>	<i>Dollars</i>					<i>Percent</i>				
(50 or more)	10.5	3,418,442	3,254,745	163,697	12,441	115,104	291,242	371,294	(80,052)	0.78	40.3
(25.0-49.9)	6.8	3,201,741	3,031,593	170,148	9,359	91,460	270,967	304,813	(33,846)	.89	41.7
0-(24.9)	8.9	2,617,962	2,462,703	155,259	7,404	99,841	262,504	274,441	(11,937)	.96	46.8
1-24.9	24.1	3,121,152	2,959,906	161,246	5,301	101,719	268,266	255,609	12,657	1.05	43.1
25-49.9	13.9	2,910,500	2,757,649	152,851	6,188	93,736	252,775	216,634	36,141	1.17	44.2
50-74.9	9.7	3,157,805	2,955,053	202,752	10,135	143,826	356,713	295,241	61,472	1.21	43.9
75-99.9	8.4	3,387,865	3,169,602	218,263	9,871	153,080	381,214	295,010	86,204	1.29	45.2
100 or more	17.7	3,935,427	3,679,423	256,004	18,725	257,395	532,124	369,936	162,188	1.44	42.8
All associations	100.0	3,254,401	3,068,363	186,038	9,872	137,169	333,079	294,807	38,272	1.13	43.2

1-Includes other operating income, interest received (paid), rent, sales of assets gains/losses, etc.

2-Savings before income taxes and allocations.

**Appendix table 22—Net savings allocations, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Distribu- tion of associa- tions	Net savings (losses) <sup>1</sup>	Distribution of net savings (losses)				
			Patronage			Other <sup>2</sup>	Unallo- cated reserves
			Paid in cash	Retained	Total		
<i>Thousands dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Percent</i>				
(50 or more)	10.5	(80,052)					100.0
(25.0-49.9)	6.8	(33,846)					100.0
0-(24.9)	8.9	(11,937)					100.0
1-24.9	24.1	12,657	28	72	62.2	5.0	32.8
25-49.9	13.9	36,141	31	69	65.7	2.5	31.8
50-74.9	9.7	61,472	29	71	59.0	2.0	39.0
75-99.9	8.4	86,204	36	64	35.7	3.3	61.0
100 or more	17.7	162,188	32	68	31.8	3.0	65.2
All associations	100.0	38,272	34	66	71.0	3.4	25.6

1-Savings before income taxes and allocations.

2-Includes dividends/interest on equity capital, an educational provision, and Federal and State income taxes.

**Appendix table 23—Selected balance sheet ratios, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Distribution of associations	Grain turnover rate	Current ratio	Equity	Total liabilities	Debt	Total liabilities	Debt	Total sales
				Total assets	Total assets	Equity	Equity	Assets	Total assets
<i>Thousand dollars</i>	<i>Percent</i>	<i>Times</i>	<i>Ratio</i>						
(50 or more)	10.5	1.13	1.19	0.53	0.47	0.65	0.87	0.35	2.91
(25.0-49.9)	6.8	1.54	1.35	.61	.39	.39	.65	.24	2.90
0-(24.9)	8.9	1.44	1.41	.55	.45	.46	.83	.25	3.02
1-24.9	24.1	1.65	1.39	.56	.44	.37	.77	.21	3.19
25-49.9	13.9	1.83	1.54	.63	.37	.22	.58	.14	3.12
50-74.9	9.7	1.27	2.06	.66	.34	.30	.52	.20	2.72
75-99.9	8.4	1.25	1.72	.65	.35	.19	.54	.12	2.45
100 or more	17.7	1.02	2.34	.72	.28	.18	.39	.13	2.40
All associations	100.0	1.33	1.64	.63	.37	.30	.60	.19	2.80

1-Savings before income taxes and allocations.

**Appendix table 24—Selected operating statement relationships, by net savings, 1984**

Net savings (loss) <sup>1</sup>	Distribution of associations	Gross margins	Net savings <sup>1</sup>	Labor expense	Net savings <sup>1</sup>	Net savings <sup>1</sup>
		Total sales	Total sales	Total expenses	Equity	Total assets
Thousand dollars		Percent				
(50 or more)	10.5	4.79	(2.34)	40.3	(12.75)	(6.81)
(25.0-49.9)	6.8	5.31	(1.06)	41.7	(5.05)	(3.07)
0-(24.9)	8.9	5.93	(.46)	46.8	(2.52)	(1.38)
1-24.9	24.1	5.17	.41	43.1	2.30	1.30
25-49.9	13.9	5.25	1.24	44.2	6.13	3.88
50-74.9	9.7	6.42	1.95	43.9	8.05	5.29
75-99.9	8.4	6.44	2.54	45.2	9.60	6.24
100 or more	17.7	6.51	4.12	42.8	13.71	9.87
All associations	100.0	5.72	1.18	43.2	5.26	3.30

<sup>1</sup>Savings before income taxes and allocations.

## Appendix B

### A profile of your cooperative and comparisons with similar business operations, 1984

Grouping/item	Appendix table	Unit	All associations average	From grouping		Your co-op	
				Your category	Study average	Today	Future goal
Grouping (check)							
<input type="checkbox"/> Storage capacity	1- 6						
<input type="checkbox"/> Total sales	7-12						
<input type="checkbox"/> Total assets	13-18						
<input checked="" type="checkbox"/> Net savings	19-24						
Storage capacity		Bushels	558,089				
Grain marketed		Bushels	741,759				
Turnover rate		Times	1.33				
Proportion grain		Percent	79.5				
Total assets		Dollars	1,160,658				
Long-term debt <sup>1</sup>		Percent	9.7				
Member equity <sup>1</sup>		Percent	62.7				
Sales		Dollars	3,254,401				
Margins on sales		Dollars	186,038				
Total expenses		Dollars	294,807				
Net savings		Dollars	38,272				
Labor of total expenses		Percent	43.2				
Net savings paid in cash <sup>2</sup>		Percent	34				
Current ratio		Number	1.64				
Debt/assets		Ratio	.19				
Net savings/total sales		Percent	1.18				
Gross margins/total sales		Percent	5.72				
Other							

Note: Find your cooperative's size in the appendix table grouping in the left-hand stub and enter the appropriate figures from the study.

1. Of total liabilities and member equity.

2. Of total patronage allocation.



**U.S. Department of Agriculture  
Agricultural Cooperative Service  
Washington, D.C. 20250**

Agricultural Cooperative Service (ACS) provides research, management, and educational assistance to cooperatives to strengthen the economic position of farmers and other rural residents. It works directly with cooperative leaders and Federal and State agencies to improve organization, leadership, and operation of cooperatives and to give guidance to further development.

The agency (1) helps farmers and other rural residents develop cooperatives to obtain supplies and services at lower cost and to get better prices for products they sell; (2) advises rural residents on developing existing resources through cooperative action to enhance rural living; (3) helps cooperatives improve services and operating efficiency; (4) informs members, directors, employees, and the public on how cooperatives work and benefit their members and their communities; and (5) encourages international cooperative programs.

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